

## INFORMAL FIELD ASSISTANCE (TELEPHONE CALL)

Call Received By: T. Ian Russell  
Date: 08/05/02

Symbols:CC:CORP:6  
Time: 4:00 PM

Call Received From: Gwendolyn C. Walker  
Phone: 404-338-7982  
District/Region: CC:LM:RFP:ATL

Office: LMSB

Taxpayer Name and TIN: [REDACTED] Inc. & Subsidiaries (EIN [REDACTED])

Tax Years: [REDACTED]

Case In Audit	Yes [REDACTED]	No [REDACTED]	Appeals	Yes [REDACTED]	No [REDACTED]
Case In Litigation	Yes [REDACTED]	No [REDACTED]	ISP Case	Yes [REDACTED]	No [REDACTED]
Date Of Trial			CEP Taxpayer	Yes [REDACTED]	No [REDACTED]

Prior Counsel Advice:

None [X] District [ ] Region [ ] Nat. Office [ ]

Given By:

Symbols:

Phone:

Principal Code Sections: 6501; 1502.

Issue/Questions: Review of proposed restrictive language in a Form 872 for a consolidated group of corporations.

Facts: As reflected in the draft Form 872 provided.

Telephone Response:

The initial line of the Form 872 (for name and address of the taxpayer) should identify the common parent and use its EIN and its last known address:

[REDACTED] and Subsidiaries\* (EIN [REDACTED]), [REDACTED]

(Note that including the name of the subsidiary [REDACTED] Inc. in the opening line could cause confusion). Place an asterisk (\*) after the term "Subsidiaries\*" and at the bottom of the page place an asterisk with the statement:

"\*With respect to the consolidated tax for the [REDACTED] Inc. and Subsidiaries group, of which [REDACTED] Inc. (EIN [REDACTED]) is a member."

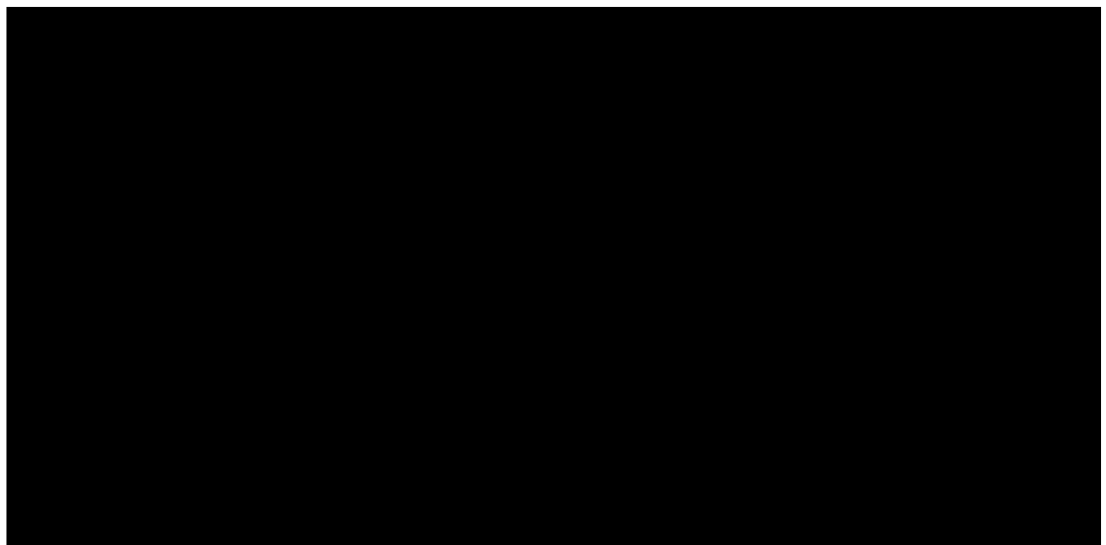
Regarding restricted consents generally, see the following sections of the Internal Revenue Manual: IRM 8.2.1.3.3.13 (11-30-01) and IRM 25.6.22.8 (01-01-02). A footnote should be added with respect to the sentence numbered (2) in the Form 872 regarding a claim for credit or refund. See IRM 8.2.1.3.3.13(4). Specifically, add a footnote to the end of the sentence numbered (2), and at the bottom of the page the footnote should read:

The provisions of section 6511(c) of the Internal Revenue Code are limited to any refund or credit resulting from adjustment for which the period for assessment is extended under this agreement.

See Mobil Corp. v. United States, 52 Fed. Cl. 327 (2002) (section 6511(c) language in a restricted consent limited the taxpayer's ability to claim a refund to only the issue covered in the restricted consent). If you have any questions regarding the addition of the section 6511(c) language, we suggest that you contact Susan Hartford in CC:PA:APJP:B02 at 202-622-4940.

With respect to the restrictive language in the sentence numbered (3) in the Form 872, note that if the taxpayer qualifies under Announcement 2002-2, 2002-2 I.R.B. 304 (Jan. 14, 2002), the Service will waive certain accuracy-related penalties under section 6662 as described in the Announcement. We recommend a modification to the final sentence of the proposed language accordingly. Note also that the citation to Notice 2001-16 is Notice 2001-16, 2001-09 I.R.B. 730. Finally, it is preferred that references to corporations include their EIN (at least the first time they are referenced). If you cannot obtain the EIN for a corporation, it is sufficient if they are identified by name. (In the recommended language below, the unknown EINs are highlighted in yellow).

We recommend the following proposed restrictive language for the paragraph numbered (3) in the Form 872:



[REDACTED]

The primary modifications from your submission are the addition of the reference to the voluntary disclosure statement (clause (b)) and the reference to IRS Announcement 2002-2 (the final parenthetical). If you have any additional thoughts or comments, or if the taxpayer seeks to modify or change the suggested language, please call us and we can discuss it.

Finally, when transmitting the Form 872 to the taxpayer for signature, a copy of each of the Notice 2001-16, 2001-09 I.R.B. 730, and the voluntary disclosure statement of [REDACTED], Inc. (EIN [REDACTED]) dated [REDACTED] should be provided to the taxpayer, and the fact that copies of these documents are being provided to the taxpayer should be noted in a cover letter. This will further serve to preclude a dispute as to what documents are being referenced in the restrictive consent. If you have any questions please call T. Ian Russell at (202) 622-7285.

Further Action Needed:                      Yes [ ]                      No [X]  
Describe:

Call Returned By: T. Ian Russell *T.I.R.*  
Date Call Returned: 08/13/02 *8/13/02*  
Reviewed By: Steve Hankin *S.J.H.*  
Office: CC:CORP:6 *8/13/02*  
Date: 08/13/02

Symbols: CC:CORP:6  
Time Spent: 8  
Phone: 202-622-7930